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FISCAL IMPACT STATEMENT

LS 6409

BILL NUMBER: HB 1060

NOTE PREPARED: Feb 28, 2012

BILL AMENDED:

SUBJECT: Hazardous Waste Disposal Tax.

FIRST AUTHOR: Rep. Baird

FIRST SPONSOR: Sen. C. Lawson

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill authorizes a county to use a part of its Hazardous Waste Disposal Tax revenue to pay costs associated with the maintenance or repair of county roads. It provides that any annual expenditures for county roads may not exceed 10% of the balance of the county's separate fund for the deposit of Hazardous Waste Disposal Taxes as of January 1 of the calendar year in which the expenditures are made.

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary* - This bill expands the use of the Hazardous Waste Disposal Tax for certain counties by adding that they may use part of the revenue to pay costs associated with the maintenance or repair of county roads. The bill also restricts spending for this purpose during a calendar year to 10% of the balance of the county's fund that receives revenue from the Hazardous Waste Disposal Tax. In FY 2011, Porter County received \$15,135, Posey County received \$3,316, and Putnam County received \$237,497 from the tax.

Background Information - The Hazardous Waste Disposal Tax is \$11.50 per ton of taxable hazardous waste that is disposed of in Indiana. The maximum liability of a taxpayer for the disposal of taxable hazardous wastes by underground injection during a calendar year is \$25,000. Facilities pay the tax quarterly and file returns

with the Department of State Revenue. Seventy-five percent of the revenue is deposited in the Hazardous Substances Response Trust Fund. Counties in which a hazardous waste disposal facility is located receive 25% of the revenue generated by the tax. Money in the fund at the end of the fiscal year does not revert to the county general fund.

In FY 2011, the total revenue from the Hazardous Waste Disposal Tax equaled about \$1 M. The Hazardous Substances Response Trust Fund received \$767,841, and the remaining revenue was distributed as follows: Porter County, \$15,135; Posey County, \$3,316; and Putnam County, \$237,497.

Currently, counties may use the tax revenue for the following purposes:

- (1) Establishing monitoring wells on land near the site of the disposal facility.
- (2) Analyzing samples from the monitoring wells established under subdivision (1).
- (3) Conducting other types of testing and surveillance for hazardous waste contamination of land near the disposal facility.
- (4) Providing training for county and local public health and public safety officers in the proper procedures for dealing with emergencies involving hazardous substances or hazardous waste.
- (5) Providing special clothing and equipment needed by county and local public health and public safety officers for dealing with emergencies involving hazardous substances or hazardous waste.
- (6) Funding research on alternatives to land disposal as a means of eliminating hazardous waste.
- (7) Paying the cost of hazardous waste, hazardous substance, or solid waste removal and remedial action at a site located within the county.
- (8) Meeting the county's requirements under IC 13-21 for the planning and implementation of a solid waste management district plan.
- (9) Paying the costs associated with the construction or rehabilitation of a facility used for training described in subdivision (4).
- (10) Paying the costs associated with any other project that has identifiable environmental benefits.
- (11) Paying the costs associated with the construction, structural rehabilitation, and equipment of a facility used for either of the following purposes:
 - (A) A county public safety central dispatch.
 - (B) A county emergency operations center.

Purposes set out in (1) through (7) must be fulfilled before revenue can be used for (8) and (9), and expenditures for the purpose set out in (11) may not exceed 10% of the balance in the fund as of January 1 of that calendar year.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Counties that receive revenue from the Hazardous Waste Disposal Tax.

Information Sources: Auditor of State, *Revenue Trial Balance*.

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